PROVINCE OF SASKATCHEWAN

11-12

PLAN FOR 2011-12

MINISTRY OF MUNICIPAL AFFAIRS

MINISTRY PLAN FOR 2011-12

Statement from the Minister

I am pleased to present the Ministry of Municipal Affairs Plan for the upcoming year, which aligns with Government's direction for 2011-12 and my **2010 Mandate Letter** from the Premier.

The *Saskatchewan Advantage* is prevalent in our growing communities. Our province continues to move forward, and Municipal Affairs is focused on maintaining strong government to government relationships in pursuit of our Ministry's mission; to facilitate the development of vibrant, safe, self-reliant and accountable municipalities capable of providing leadership and serving the interests of Saskatchewan communities.

I accept responsibility for furthering Government's commitments while ensuring the Ministry is managed with integrity and professionalism, guided by our Government's corporate values and principles. As part of ongoing public service renewal, we are dedicated to establishing the most effective and efficient ways to deliver programs and services to the people of Saskatchewan. I will report on the progress made toward this Plan, within the financial parameters provided to my Ministry, in the Ministry's annual report.

The Honourable Darryl Hickie
Minister of Municipal Affairs

Response to Government Direction

Government's plan for the upcoming year is described in the *Government Direction for 2011-12: The Saskatchewan Advantage*. The 2011-12 Budget supports this plan by maintaining and improving our quality of life through enhanced public services and creating more opportunities for all Saskatchewan citizens. Responsible fiscal management means finding the right balance between debt reduction, tax relief, investing in short-term capital infrastructure projects, and matching program spending to long-term, sustainable revenues.

Meanwhile, Government continues to promote effectiveness and efficiency throughout the public service; is continuing with its four-year plan to reduce Government's footprint; and has adopted a "Lean" culture of continuous improvement in the delivery of programs and services.

Ministry Plans for 2011-12 support the fulfillment of Government's **vision for a secure and prosperous Saskatchewan, leading the country in economic and population growth, while providing opportunity for a high quality of life for all**. Government's goals and priorities for the upcoming year are described in the *Government Direction* document, as well as in each ministry plan.

The Plan for 2011-12 communicates a high-level framework for the Ministry's key activities in the upcoming year. All ministries and agencies will report on results achieved or not yet achieved, in their annual reports, to honour Government's commitment to keep its promises, and to ensure greater transparency and accountability to Saskatchewan people.

Mission Statement

The Ministry of Municipal Affairs facilitates development of vibrant, safe, self-reliant and accountable municipalities capable of providing leadership and serving the interests of Saskatchewan communities.

Strategies and Actions

Government Goal – Economic Growth

Sustain **Economic Growth** for the benefit of Saskatchewan people, ensuring the economy is ready for growth and positioning Saskatchewan to meet the challenges of economic and population growth and development.

Strategy	Key 2011-12 Actions
Engage municipalities in increasing capacity for economic development	• Complete our Government's commitment to fully implement the new municipal revenue sharing agreement in 2011-12 equal to one full point of Provincial Sales Tax, based on Public Accounts. • Collaborate with other ministries and the municipal sector to identify barriers and options to improve economic outcomes. • Manage the Saskatchewan Infrastructure Growth Initiative (SIGI) to support the provincial growth agenda. • Review municipal development corporations in northern Saskatchewan. • Collaborate with the municipal sector to develop options for a long-term, predictable and sustainable capital infrastructure program for the sector.
Support effective community planning	• Engage municipalities in land use planning decisions that can expedite the integrated subdivision review process for investment in residential, commercial and industrial development. • Update municipal planning legislation and regulations to assist municipalities in managing growth challenges. ~ Finalize and implement Statements of Provincial Interest Regulations that consolidate the policies of provincial ministries and agencies that will provide guidance to municipalities in the preparation of planning tools to facilitate development. • Work with the municipal sector and other provincial ministries and agencies to encourage regional planning for land use, infrastructure investment and economic development. • Share best practices arising from the Planning for Growth program, a collaborative initiative to enhance regional planning capacity and establish best practices facilitating sustainable growth and development across the province.

Strategy	Key 2011-12 Actions
Assist municipalities in addressing infrastructure needs to support growth	• Facilitate orderly and efficient management of infrastructure investment to Saskatchewan communities through the Building Canada Fund, Infrastructure Stimulus Fund, Provincial/Territorial Base Fund, Gas Tax Program, Northern Water and Sewer Program and other infrastructure programs to enable effective investments primarily for water, wastewater, solid waste, recreation and local roads. • Work with municipal partners to develop a sustainable long-term infrastructure plan. • Encourage municipalities to use servicing agreements and development levies to fund and achieve sustainable infrastructure investment. • Engage municipalities in increasing their capacity to manage municipal infrastructure: ~ continue to work with municipal partners to develop training opportunities, such as pilot projects, around areas including asset management, and long-term financial planning; and, ~ develop and put in place a method for rural municipalities to track and report on road maintenance costs and loss of road life related to heavy hauls and road maintenance agreements.

Government Goal – Security

Secure Saskatchewan as a safe place to live and raise a family where people are confident in their future, ensuring the people of Saskatchewan benefit from the growing economy.

Strategy	Key 2011-12 Actions
Enable municipalities to achieve vibrant, safe, healthy communities	• Collaborate with other ministries and the municipal sector to identify and address needs for vital services. • Encourage municipal policy and development decisions to promote community health and safety. • Encourage municipalities to integrate provincial development priorities and interests to achieve sustainable communities.

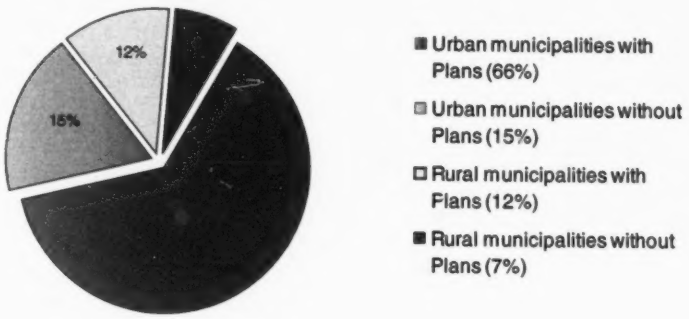
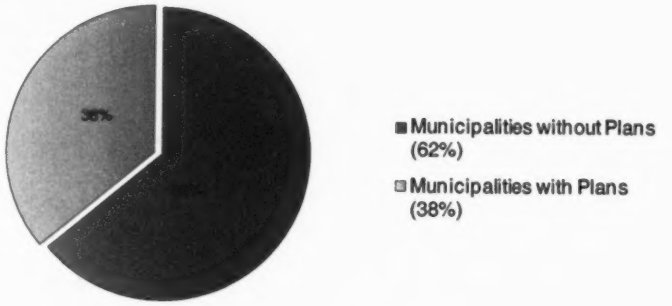
Government Goal – Promises

Keep Government's **Promises** and fulfill the commitments of the election, operating with integrity and transparency, accountable to the people of Saskatchewan.

Strategy	Key 2011-12 Actions
Support strategic and innovative improvements in the governance and administrative capacity of Saskatchewan's municipal sector	• Identify, evaluate and initiate strategic and innovative improvements to Saskatchewan's local government system: ~ introduce changes to *The Local Government Election Act* to allow for municipal elected terms of office to increase from two and three-year terms to four-year terms, establishing longer periods for municipal councils to plan and implement programs and longer-term strategies and goals; and, ~ provide greater regional opportunities for municipal collaboration and sharing of limited resources to facilitate and service new growth through amendments to *The Planning and Development Act, 2007*. Proposed changes will provide greater flexibility for planning districts to establish regional plans. • Through training, workshops, pilot projects and other initiatives, continue to work with the municipal sector to enhance professional and administrative capacity in all areas, including municipal asset management and regional planning: ~ work with the municipal sector to develop options for administrator training and municipal work experience programs (e.g. training for officials to manage rural municipality elections); and, ~ work with the municipal sector to develop new tools to help municipalities to assess the sustainability of municipal governments and address related concerns. • Increase municipal capacity through programs and services and joint initiatives with the municipal sector, such as the Planning for Growth Program, the Federal Gas Tax Program and the Municipal Capacity Development Program. • Consult with the municipal sector regarding how to finance municipal capacity-building. • Continue to strengthen relationships with municipal partners, the Saskatchewan Urban Municipalities Association, the Saskatchewan Association of Rural Municipalities and the Saskatchewan Association of Northern Communities (New North). ~ Enhance consultation and collaboration through the Municipal Forum, the Northern Municipal Roundtable and other venues for communication. • Work with the Saskatchewan Assessment Appraisers Association to update its professional legislation and regulations, and to ensure Government's interjurisdictional commitments respecting labour mobility are met. • Complete a review of the Saskatchewan Municipal Board and develop recommendations to strengthen its ability to carry out its responsibilities relating to local governments.

Strategy	Key 2011-12 Actions
Encourage and facilitate municipal, First Nations and Métis relationships	• Inform municipalities of their duty to consult through municipal bylaw reviews, workshops and informational sessions. • Ensure duty to consult obligations are met when developing policy and legislation or approving bylaws and subdivisions. • Strengthen relationships between municipalities and First Nations and Métis people by facilitating discussions to enhance shared services and stimulate economic development.
Increase municipal financial and operational transparency and accountability	• Continue to work with the municipal sector to enhance professional and administrative capacity, focusing on financial reporting and accountability by: ~ delivering workshops to improve municipal knowledge and capacity based on the needs and requests of the municipal sector; and, ~ developing and providing reports, workshops and webinars that work towards increasing the overall knowledge of financial reporting at the municipal level. • Communicate to Saskatchewan people Government's initiatives and investments in municipalities through *Municipalities Today* and various workshops, training programs and presentations. • Educate and raise awareness of roles and responsibilities of elected and administrative officials. • Support municipal compliance with Public Sector Accounting Board, legislative requirements and funding agreements by providing financial advice and counsel. • Complete development of legislative amendments to enable rural municipalities to designate special service areas as a means to finance and provide extra services to particular parts of municipalities. • Undertake a review of and develop recommendations related to tax loss compensation in municipal boundary alterations.
Improve the effectiveness and efficiency of the Ministry's programs and services	• Utilize value-stream mapping events and other Lean tools to increase the efficiency and effectiveness of Ministry processes. • Develop internal Ministry Lean capacity to assist improvement efforts and ensure a long-term Lean culture is fully developed and sustained. • In the context of Government's new approach to education financing, implement results from the review of the management of municipal tax exemptions, abatements, discounts and penalties in relation to education property tax. • Provide municipal government access to the Ministry's Property Assessment and Taxation Mapping and Analysis Program (PATMAP), a tool to examine tax shifts from local tax tools and municipal boundary alterations. • Expand the data and information available to the Ministry, other ministries and municipalities through the Municipal Information Dataportal.

Performance Measures

Measure	Baseline / Trend Line Information
Percentage of the population living in municipalities with or without Official Community Plans	
Percentage of municipalities with or without Official Community Plans	

Source: Municipal Affairs - Community Planning

Measure Description

The Planning and Development Act, 2007 provides municipalities the authority to adopt Official Community Plans (OCP). The OCPs set out policies to govern land use and development, outline the municipality's economic growth strategies, encourage environmental stewardship, plan sustainable infrastructure, support recreational opportunities and address community interests. Without OCPs municipal councils do not have the policies and supporting legal authority to lead the municipality's development agenda.

As the first graph displays, the majority of Saskatchewan's population lives in communities that have adopted OCPs (78% total). However, as displayed in the second measure, many municipalities are still without OCPs. Without an OCP, municipalities have not established a plan for growth and community sustainability or the authority to facilitate new development opportunities to achieve cost effective and efficient services for community residents and new land development. Economic growth in Saskatchewan has furthered the need

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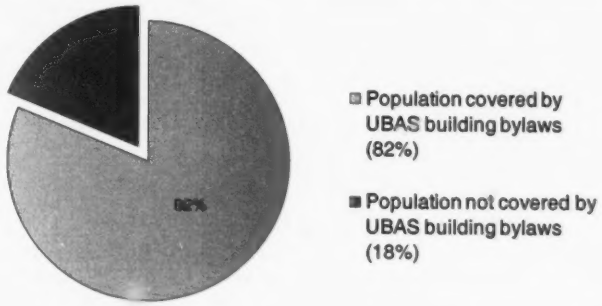
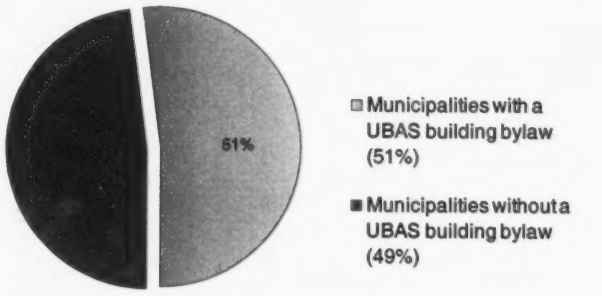
for capable municipalities to implement OCPs in order to respond to increasing demands for residential and commercial lots, expanded infrastructure and servicing to support community expectations and needs.

Providing support to municipalities in their development and to help manage land use and risk, the Ministry:

- clarifies and coordinates provincial priorities for land use and development through the Statements of Provincial Interest;
- forges links with other ministries to incorporate municipal land use planning objectives into their initiatives;
- reviews and approves municipal planning and zoning bylaws to ensure consistency with legislation and provincial interests;
- promotes the development of OCPs and zoning bylaws when ranking municipal infrastructure funding projects;
- facilitates the development of local capacity through education and training;
- develops consultation processes; and,
- fosters relationships with First Nations and Métis communities.

Measure	Baseline / Trend Line Information
Percentage of population covered by *The Uniform Building and Accessibility Standards Act* (UBAS) building bylaws	
Percentage of municipalities with a building bylaw pursuant to UBAS	
	Source: Ministry of Corrections, Public Safety and Policing - Building Standards

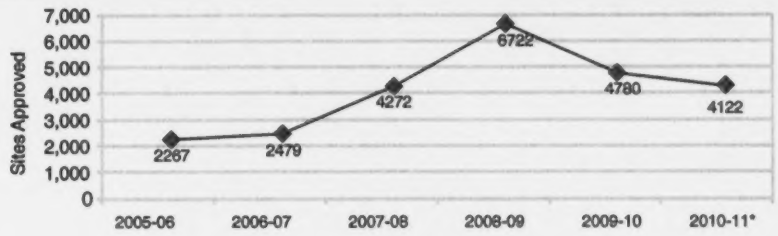
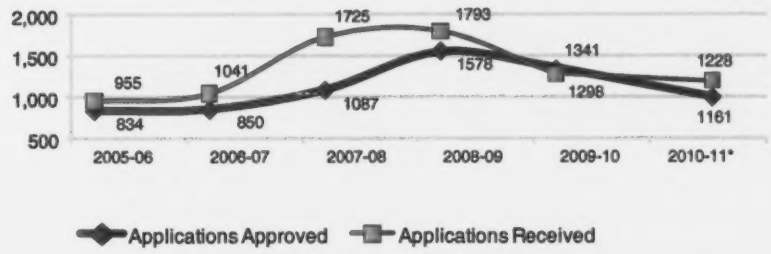
Measure Description

Municipal Affairs undertakes significant inter-ministry and agency coordination to facilitate the incorporation of Government priorities and interests within local government. This coordination includes:

- safeguarding public health and safety;
- ensuring the integrity of public infrastructure;
- preserving natural, cultural and archaeological resources;
- protecting the environment, including water; and,
- encouraging the sustainable development of communities.

This measure demonstrates municipal leadership in providing public safety through the adoption of building bylaws pursuant to *The Uniform Building and Accessibility Standards Act* (UBAS) and enforcement of building standards that promote safe construction of buildings. As of December 31, 2010, 397 of 786 (51%) municipalities had UBAS approved building bylaws in place, while 389 of 786 (49%) municipalities were without a UBAS building bylaw pursuant to the Act. Municipalities with building bylaws in place represent 82% of the province's population (based on the 2006 Census), not including reserve populations. Inspections on reserves where the National Building Code is utilized are conducted by First Nations Building Officials.

Ongoing and developing efforts and initiatives by the Ministry, as well as interministry and agency co-ordination, will increase the implementation of UBAS building bylaws by municipalities. Interjurisdictional planning provides a means of building municipal planning capacity and developing Official Community Plans and building bylaws. The Ministry is working with municipalities to enhance interjurisdictional opportunities through the Municipal Capacity Development Program and assisting communities interested in working together through district planning initiatives.

Measure	Baseline / Trend Line information
Number of sites approved through subdivision approval process	
Number of subdivision applications received and approved	

Source: Municipal Affairs - Community Planning

** Estimates as of March 2011. Please note that the figures reported above may fluctuate slightly between reporting periods due to minor corrections in the database for decisions.*

Measure Description

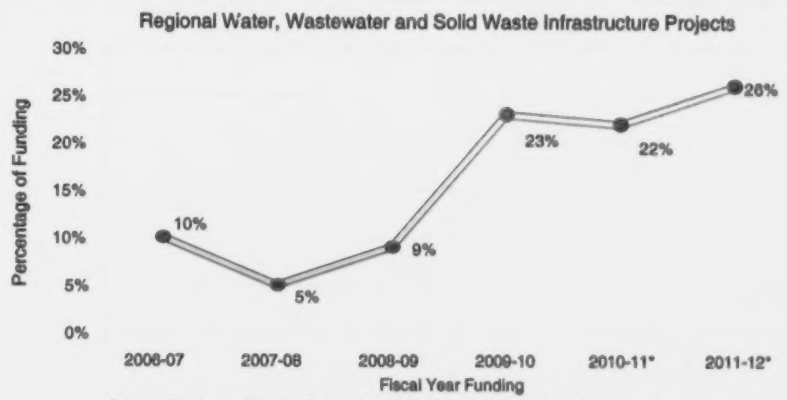
The subdivision approval process ensures site suitability and appropriate servicing of the intended residential, commercial and industrial development. The subdivision of land is a key step for investment in economic growth as it is one of the first steps in the development process.

In 2010-11, Municipal Affairs is projected to receive 1,228 subdivision applications and approve 1,161 applications, resulting in the creation of 4,122 sites. Projections for 2011-12 indicate sustained high levels, though a slight decrease is expected as backlogs continue to be reduced and demand for new subdivisions has slightly declined.

Facilitating subdivisions supports the provincial objective for a prosperous economy. The elevated trend for lot development in the past several years represents significant investment in land and property within the province and places demands for new infrastructure to service the sites created.

In order to advance provincial priorities for land development, including promoting economic development, supporting social and cultural development and establishing sustainable and viable communities, Municipal Affairs has developed several initiatives that will accelerate the review and approval of subdivisions:

- through utilization of Lean methodology, several improvements for the subdivision review and approval process were identified in 2010. These initiatives, and further improvements developed through Lean, will continue to be implemented and monitored in 2011-12 as the Ministry strives to increase the efficiency and effectiveness of this important process; and,
- additionally, the implementation of the Subdivision On-Line Application, an electronic method for processing applications, has improved the speed and efficiency of subdivision application reviews and decisions.

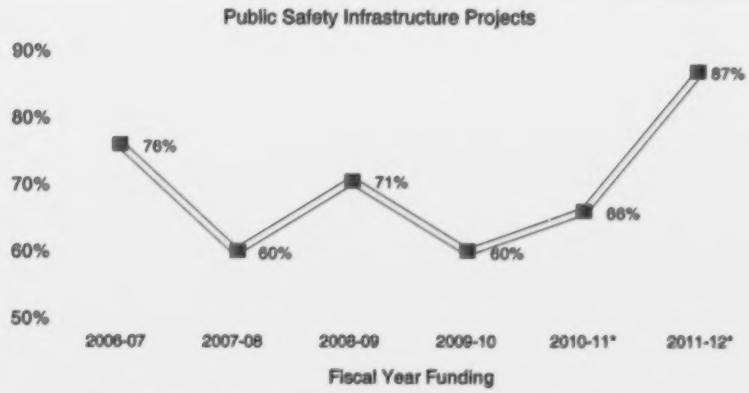
Measure	Baseline / Trend Line Information
Percentage of funding provided to communities under 100,000 for regional water, wastewater and solid waste infrastructure through major federal-provincial cost-shared infrastructure programs (as a percentage of total funding)	

Source: Municipal Affairs – Grants Administration and Financial Management
**Estimated*

Measure Description

This measure is significant to the Ministry and government as regional solutions often provide an effective and efficient solution to local issues surrounding limited financial resources, increasing municipal infrastructure deficits and environmental/health disaster risk. This measure tracks the amount of federal/provincial program funding that is provided to communities with populations fewer than 100,000 for regional water, wastewater and solid waste infrastructure as a percentage of total funding provided under those categories.

Significant funding in 2009-10, 2010-11 and 2011-12 has been committed to regional infrastructure. Clean water is essential for a high quality of life in our province. In order to provide necessary funding to achieve this, the Province of Saskatchewan will continue to provide funding for several important regional projects under the Building Canada Fund – Communities Component in 2011-12.

Measure	Baseline / Trend Line Information
Proportion of infrastructure investment provided for public environmental and safety projects (water, wastewater, and solid waste projects) through federal-provincial cost-shared programs (as a percentage of total funding)	

Source: Municipal Affairs – Grants Administration and Financial Management
**Estimated*

Measure Description

Government investments in health and safety related infrastructure projects are essential to promote quality of life for Saskatchewan residents and mitigate environmental/health risks. This measure tracks the proportion of federal/provincial cost-shared program funding provided for water, wastewater and solid waste projects as a percentage of total funding provided.

Total federal/provincial funding has significantly increased in the past several years. A significant portion of total funding was cash-flowed to public safety projects in 2010-11. In 2011-12, the percentage of funding for public safety projects will be the highest level in seven years. This high percentage in 2011-12 is the result of a focus on public safety projects under the Building Canada Fund – Communities Component and the completion of many of the sport/culture/recreation/local roadway projects in 2009-10 and 2010-11.

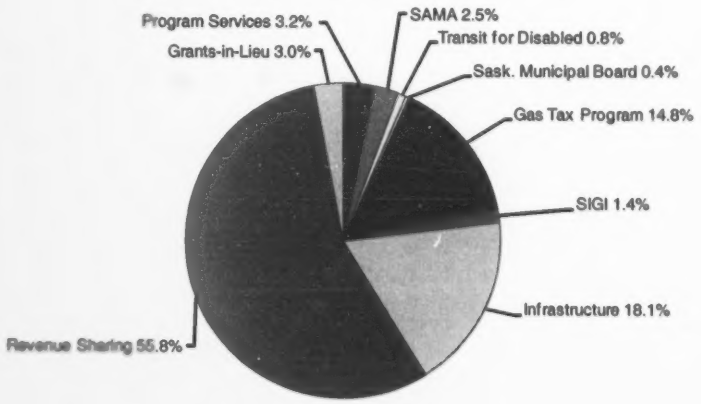
Financial Summary

Highlights of Appropriation and Expense 2011-12

2011-12 Estimates	(in thousands of dollars)
Central Management and Services	4,849
Municipal Financial Assistance	317,229
Federal Municipal Assistance	57,799
Municipal Relations	7,445
Saskatchewan Municipal Board	1,391
Total Appropriation	**388,713**
Capital Asset Acquisitions	---
Capital Asset Amortization	---
Total Expense	**388,713**
FTE Staff Complement	**134.8**

For more information, see the Budget Estimates at: http://www.finance.gov.sk.ca/budget2011-12/

Municipal Spending Program Services



HIGHLIGHTS

- Revenue Sharing – Municipal revenue sharing funding rises to a record level of $216.8 million. This represents a $49.4 million increase from 2009-10, consisting of the following:
  - $138.7 million to urban municipalities;
  - $62.9 million to rural municipalities; and,
  - $15.2 million to northern municipalities.
- Infrastructure – $70.3 million is provided for federal-provincial-municipal infrastructure programs. A further $57.2 million in federal flow-through funding for the Gas Tax Program is also provided.
- Saskatchewan Infrastructure Growth Initiative funding has been increased to $5.5M (increase of $3.2M) due in part to a Recreation Pilot Program.

For More Information

Please visit the Ministry's website at **www.municipal.gov.sk.ca** for more information on the Ministry's programs and services. For additional information about Municipal Affairs, or to provide feedback about our 2011-12 Plan or performance results, please contact us at (306) 798-6093.